

ARIZONA SOLAR ONE LLC.



ORIGINAL

Docket Control
Arizona Corporation Commission
1200 W. Washington St.
Phoenix, AZ 85007

Re: Docket No. L00000GG-08-0407-00139, Case No. 139, Decision No. 70638
Docket No. L00000GG-08-0408-00140, Case No. 140, Decision No. 70639

This letter is to inform you of the compliance actions taken for the Solana Generating Station Facility CEC (Decision No. 70638 & 70639) Condition No.2 which states:

2. "The Applicant, or its assignee(s), shall comply with all existing applicable ordinances, master plans and regulations of the State of Arizona, the County of Maricopa, the United States, and any other governmental entities having jurisdiction, including but not limited to the following:
 - (a) all applicable land use regulations;
 - (b) all applicable zoning stipulations and conditions, including but not limited to landscaping and dust control requirements;
 - (c) all applicable water use, discharge and/or disposal requirements of the Arizona Department of Environmental Quality;
 - (d) all applicable noise control standards;
 - (e) all applicable regulations and permits governing storage and handling of chemicals and petroleum products; all other applicable federal and state regulations and standards."

As well as the compliance actions taken for the Solana Generating Station Transmission Line CEC (Decision No. 70639) Condition No.13 which states:

10. "Before construction on this Project may commence, the Applicant, or its assignee(s), must file a construction mitigation and restoration plan ("Plan") with Commission Docket Control. Where practicable, the Plan will specify the Applicant's plans for construction access and methods to minimize impacts to wildlife, to minimize vegetation disturbance outside of the Project right-of-way, and to revegetate native areas following construction disturbance."

Arizona Solar One, LLC has completed both of the compliance activities, which may be found in the attached documents.

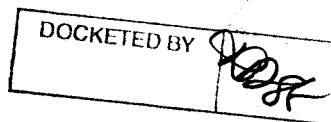
Sincerely,

Kate Maracas
Statutory Agent
Arizona Solar One LLC

CC: Compliance Section
Utilities Division

Arizona Corporation Commission
DOCKETED

NOV 23 2010



ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

2010 NOV 23 A 10:18

RECEIVED

4505 E. Chandler Blvd., Suite 120
Phoenix, AZ 85048

480.705.0028 (T)

480.705.3227 (F)

SPECIAL USE PERMIT - SOLANA SOLAR GENERATING STATION

Case Number: Z2009117
Supervisory District: 5
Applicant: Arizona Solar One, LLC for Abengoa Solar, et. al.
Location: North of I-8 and west of Painted Rock Dam Road, approx. 8 miles west of Gila Bend
Request: Special Use Permit (SUP) for a concentrating solar electrical generating station (approx. 3.107 acres) Solana Solar Generating Station
Commission Action: Unknown at this time. Case is double-advertised for the June 10, 2010 Planning and Zoning Commission hearing.

Note: This case has been double-advertised from the June 10, 2010 Commission hearing.
This item was continued from the June 23, 2010 meeting. (C-44-10-146-7-00)

Darren Gerard, Deputy Director of Planning and Development, discussed the fact that the Solana Solar Generating Station which is a 60-acre solar power island, is in compliance with the County plan and there is no public opposition. He said the staff supports the concept of renewable energy. There is a concern regarding water consumption at the site. Staff spoke with Herb Gunther who is a water expert at ADWR. His concern was the wet cooling but he determined that this site does have a 5-year groundwater recharge and suggested a cap of 5,447 acre feet.

Supervisor Wilcox acknowledged that this project is exciting as it is the first big solar energy plant with alternative energy in Arizona. She stated the Federal Government and the citizens want this.

Larry Lazarus, representing the applicant, spoke about this project taking Arizona to a new level and that he is pleased with the agreement that has been reached regarding the water level. He also stated that the financing is approved.

Kate Moraccas who represents Abengoa Solar stated that this project will set the standard for the rest of the country. She mentioned that the Solana project was awarded a \$1.45 billion loan guarantee by the Federal Government which was announced by President Obama during his weekly address. This project will create new opportunities for the county and the entire region. She said the Solana Generating Station has a local hiring policy and that jobs will be filled by Maricopa County residents. She then thanked the staff and the Board of Supervisors for working on this project.

Supervisor Brock congratulated everyone who worked on the project.

Motion to concur with the Planning Commission recommendation for approval with stipulations "a" through "z" with an amendment to stipulation "d" by Supervisor Wilcox, seconded by Supervisor Wilson, as follows:

- d. Total groundwater water consumption for the facility shall not exceed 5,447 ~~3,447~~ acre-feet in any twelve month period. Of this amount, a maximum of 447 acre-feet per year shall be allocated to the Bull Durham Wash habitat in accordance with the requirements as set forth of by the Arizona Game and Fish Department and the U.S. Fish and Wildlife Service under the federal Environmental Assessment conducted for the facility.

Ayes: Stapley, Brock, Wilcox, Wilson
Absent: Kunasek

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.



Department of Energy

Washington, DC 20585

DOE/EA-1683

FINDING OF NO SIGNIFICANT IMPACT DEPARTMENT OF ENERGY LOAN GUARANTEE TO ABENGOA SOLAR INC. FOR THE SOLANA CONCENTRATING SOLAR POWER FACILITY NEAR GILA BEND, ARIZONA

AGENCY: U.S. Department of Energy, Loan Guarantee Program Office

ACTION: Finding of No Significant Impact

SUMMARY: The U.S. Department of Energy (DOE) has conducted an environmental assessment (EA) that analyzed the potential environmental impacts associated with a 280 Megawatt (MW) concentrating solar power (CSP) plant (Solana Generating Plant) and associated 230 kilovolt transmission line (Solana Gen-Tie) proposed by Abengoa Solar Inc. (Abengoa) near Gila Bend, Arizona (Solana Project). DOE, through its Loan Guarantee Program Office (LGPO), proposes to provide a Federal loan guarantee pursuant to Title XVII of the Energy Policy Act of 2005 (EPAct 05), as amended by Section 406 of the American Recovery and Reinvestment Act of 2009, to Abengoa to support the construction and startup of the proposed facility.¹ The purpose of DOE's proposed action is to expedite the deployment of a new energy technology into commercial use in the U.S. and to reduce emissions of greenhouse gases and other air pollutants.

The Solana Project would use CSP technology to capture heat generated by sunlight and turn that heat into electricity. CSP works by using parabolic trough systems to concentrate energy from the sun through long, curved mirrors. Approximately 2,700 trough collectors covering roughly 1,757 acres would comprise the "solar field." The parabolic trough systems would be tilted toward the sun and focus sunlight on a pipe running down the center of the trough. Heat from sunlight would warm an organic synthetic oil, known as heat transfer fluid, which would flow through the pipe to the power island. The heat transfer fluid would serve as the working fluid of the collector field, and would provide a means for transferring the collected solar energy to the heat exchangers. The collected solar energy would be used to convert water to steam for use in a conventional steam turbine generator to produce electricity. The Solana Project would employ molten salt storage tanks to retain and store up to 6 hours of heat, which could be dispatched as needed, and would allow Solana to produce electricity on cloudy days and after sunset.

The Solana Project would interconnect to the regional transmission grid via the Solana Gen-Tie, which would originate at the Solana Generating Plant and terminate at the existing Arizona Public Service Company Panda Substation, approximately 18.2 miles east of the Solana Project. The Solana Gen-Tie would consist of transmission structures, single-circuit conductors (three wires), and two overhead ground wires, one of which would contain a fiber-optic cable to serve as a communications system for the Solana Project. The transmission structures would be steel

¹ The amount requested for the loan guarantee is not being disclosed at this time because it is business sensitive. Moreover, should DOE approve a loan guarantee, the amount may differ from the original request.



monopoles approximately 100 to 140 feet tall, depending on the span length required, with a maximum height of 190 feet above the ground surface.

All discussion and analysis related to the potential impacts of construction and operation of the proposed Solana Project are contained in the Final EA (DOE/EA-1683), which is incorporated here by reference. DOE examined potential impacts on the following resources and found none to be significant: floodplains; wetlands; water resources and water quality; threatened or endangered species and critical habitats; prime or unique farmlands; geology and soils; visual, recreational, and aesthetic resources; property of historic, archaeological, or architectural significance; Native American concerns; environmental justice; public health and safety; air quality; global climate change; waste management; transportation; socioeconomic conditions; noise; and terrorism-related impacts.

In accordance with applicable regulations and policies, DOE sent a notification letter regarding the Department's determination to prepare an EA to American Indian Tribes, the Arizona Department of Environmental Quality and the City of Gila Bend on July 8, 2009. The letter described the proposed action and stated that a draft EA would be sent to the state for review. On April 6, 2010, DOE sent the Draft EA to American Indian Tribes, the Arizona Department of Environmental Quality, and the City of Gila Bend inviting their comments on the draft. The Draft EA was also posted on the Loan Guarantee Program Office website. DOE received a comment letter from the Arizona Department of Environmental Quality (AZ DEQ) on April 27, 2010, requesting clarification on the use of the sewage pumps mentioned in Table 3-7 (Sound Level Specifications for Standard Packaged Equipment) of the Draft EA. Information was added to the EA indicating that these are transfer pumps which channel wastewater from cooling tower blowdown to evaporation ponds and would not involve sewage. The letter also provided additional information regarding the process for various AZ DEQ permits that were listed in the EA at Table 2-1.

DETERMINATION: On the basis of the Final EA, DOE has determined that providing a Federal loan guarantee to Abengoa for construction and startup of a 280MW CSP facility and its associated transmission line near Gila Bend, AZ, will not have a significant affect on the human environment. The preparation of an environmental impact statement is therefore not required, and DOE is issuing this Finding of No Significant Impact.

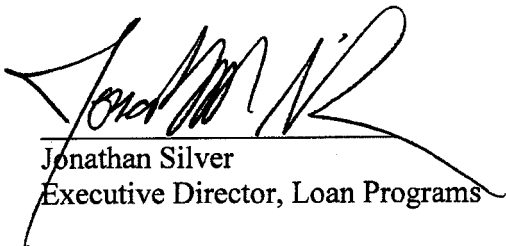
Copies of the Final EA are available at the DOE Loan Guarantee Program Office website at <http://www.lgprogram.energy.gov/NEPA-1.html> or from

Joseph Marhamati
NEPA Document Manager
U.S. Department of Energy
1000 Independence Ave, SW
Suite 4B-196 CF1.3
Washington, DC 20585
Joseph.Marhamati@hq.doe.gov

Additional information on the DOE NEPA process is available from:

Carol M. Borgstrom, Director
Office of NEPA Policy and Compliance (GC-54)
U.S. Department of Energy
1000 Independence Avenue, SW
Washington, DC 20585
202-586-4600 or 1-800-472-2756

Issued in Washington, DC on the 6th day of May in the year 2010.



Jonathan Silver
Executive Director, Loan Programs

**MARICOPA COUNTY
AIR QUALITY
DEPARTMENT**

**AIR QUALITY DEPARTMENT
1001 North Central Avenue
Phoenix, AZ 85004**

AIR QUALITY PERMIT

Permit Number: 080073 Rev. 1

Revision: 0.0.0.1

Revised:

Issue Date: June 17, 2010

Renewal Date: June 30, 2015

Permittee Name: ARIZONA SOLAR ONE LLC

Mailing Address 4505 E CHANDLER BLVD STE 120 PHOENIX, AZ 85048

Business Name: ARIZONA SOLAR ONE, LLC

Facility Address: I-8 MARICOPA COUNTY, AZ

The purpose of the letter is to inform you that the application for ADMINISTRATIVE CORRECTION Permit Revision, reference number 385337 has been approved and will be incorporated into Air Quality Permit 080073. The applicable Permit Conditions are enclosed with this letter.

If you have any questions, please give me a call at (602) 506-7248.

Sincerely,

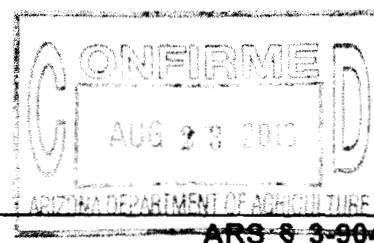
Todd Martin

SUPERVISOR, NON-TITLE V UNIT



Arizona Department of Agriculture (ADA)
Licensing and Registration Section
1688 West Adams, Phoenix, Arizona 85007
Phone: (602) 542-6408
Fax: (602) 542-0466

AUG 18 2010

**Notice of Intent to Clear Land**

Pursuant to A.R.S. § 3-904 the undersigned, as Owner of the Property described herein, gives this Notice of Intent to Clear Land of protected native plants.

1. **Owner/landowner's agent.** The owner or landowner's agent of the Property upon which protected native plants will be affected:

Owner's Name Arizona Solar One, LLC c/o Abengoa Solar Inc. Phone (480)705-0028
Address 4505 E. Chandler Blvd., Suite 120, Phoenix, AZ 85048
Agent's Name Sobia Naqvi Phone (480)705-0028
Address 4505 E. Chandler Blvd., Suite 120, Phoenix, AZ 85048

2. **Property.** The description and location of the Property upon which protected native plants will be affected:

County Maricopa
Name of Property/Project Solana Generating Facility
Address Northwest corner of I-8 and Painted Rock Dam Road
Physical Location (attach map) 8 miles west of Gila Bend
(Note: Map must also show surrounding land for 1/2 mile in each direction)
Tax Parcel ID Nos. 403-41-009G, 403-41-009H, 403-41-009J, 403-41-008C
Legal Description (or attach copy) see attached figure
Number of Acres to be Cleared 52.8 acres

3. **Owner's Intent.** Landowner's intentions when clearing private land of protected native plants.

- ☐ Owner intends to allow salvage of the plants, and agrees to be contacted by native plant salvagers.
☐ Owner intends to transplant the plants onto the same property, or to another property he also owns.
☒ Owner has already arranged for salvage of the plants.
☐ Owner does not intend to allow salvage of the plants.
☐ Other _____

4. **Approximate starting date.** October 1, 2010

(See notice period listed on reverse side)

The information contained in this application is true and accurate to the best of my knowledge. I understand that providing false information is a felony in Arizona

Signature

Sobia L

Date

Aug. 9, 2010

Notice to salvagers: Consent of the landowner is required before entering any lands described in this notice.